# GOVERNMENT OF INDIA
# AGRO AND RURAL INDUSTRIES
# LOK SABHA

STARRED QUESTION NO:317
ANSWERED ON:23.12.2003
PROTECTION TO COTTAGE INDUSTRIES
T.T.V. DHINAKARAN

**Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:**

(a) whether it is a fact that cottage industries are finding their survival difficult because of the stiff competition particularly from MNC`s ;

(b) if so, the steps taken by the Government to protect cottage industries;

(c) whether the Government has drawn up plan to ensure that the items reserved for the cottage industries are not encroached upon by big industrial Houses and MNC`s; and

(d) if so, the details thereof?

## Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF AGRO AND RURAL INDUSTRIES (SHRI SANGHPRIYA GAUTAM )

(a) to (d): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO.317 FOR ANSWER ON 23.12.2003 BY SHRI T. T. V. DHINAKARAN

(a) & (b): With the globalization of the Indian economy, the industries in the country including cottage and rural industries, are facing greater competition in the market. The strategy of the Government is to strengthen the cottage and rural industry sector to enable it to remain competitive in the market led economy and generate additional jobs. The Government has announced a `Khadi package` on 14.05.2001, which seeks to provide a competitive edge for cottage and rural industries in the changed market scenario. The package is under different stages of implementation and inter-alia, consists of creation of packaging and design facilities, measures to promote marketing, brand building, cluster development etc.

(c) & (d): 675 items have been reserved for Small Scale Industries, which also include a number of items being made by cottage industries. Any violation of such provisions are viewed seriously.